

2020 Bachelor's Degree and Undergraduate Enrollment Targets

ACTION: The staff recommends that the Council approve the preliminary 2020 bachelor's degree targets listed in Table 1 to inform long-term planning efforts. The staff also recommends that the Council approve the preliminary 2020 institutional enrollment targets listed in Table 2 to inform the statewide facilities condition study.

The long-term goal of the *Kentucky Postsecondary Education Improvement Act of 1997* (HB 1) is to significantly improve the quality of life and standard of living for all Kentuckians. Achievement of this goal is dependent on increasing the educational attainment level of the Commonwealth to at least the national average by 2020, from 19 percent in 2000 to a projected 32 percent in 2020. To do this, Kentucky needs to double the number of baccalaureate degree holders over the next 14 years, from roughly 400,000 in 2000 to nearly 800,000 in 2020. With no changes to current production levels, Kentucky will fall short approximately 211,000 degree holders in 2020 and thus give up many of the benefits that come with increased educational attainment.

Council staff worked with a national consultant and others on a 2020 projections model to look at the various inputs (i.e., high school students, adult students, and transfers) and throughputs (i.e. college going rates, retention rates, and graduation rates) needed to close the educational attainment gap and significantly increase bachelor's degree production in Kentucky. The model provides for the opportunity to take an initial look at both state and institution level bachelor's degree targets, which are highlighted in Table 1 on the following page.

Ongoing Adjustments

These preliminary 2020 targets are a starting point for additional planning efforts. Initial 2020 bachelor's degree targets were shared with institutional representatives in the fall of 2005. Over the past 12 months, these targets were discussed at numerous meetings with Council members, presidents, and other institutional representatives, including chief academic officers and chief budget officers. Most recently, the projections were revised after a series of campus meetings with representatives from public and independent institutions during May - July 2006. The bachelor's degree targets listed in Table 1 reflect these revisions, including a reduction in the number of transfers from KCTCS, an increase in the role of independent colleges and universities, a recalculation of the institutional

distribution in the comprehensive sector to take into account projected population growth in each institution's area of geographic responsibility, and improved alignment with institutional strategic plans.

Table 1. Preliminary 2020 Bachelor's Degrees Targets By Institution

Institution	2004-05 Bachelor's Degrees	Preliminary 2020 Bachelor's Degrees Target	% Change from 2005
Eastern Kentucky University	1,787	3,397	90%
Kentucky State University	229	542	137%
Morehead State University	1,038	1,799	73%
Murray State University	1,373	2,834	106%
Northern Kentucky University	1,529	3,149	106%
Western Kentucky University	2,166	4,324	100%
University of Kentucky	3,285	6,349	93%
University of Louisville	2,148	3,043	42%
Independent Colleges and Universities	4,256	8,231	93%
State Total	17,811	33,669	89%

Note: These system-level degrees include students who begin and remain at the institution and who transfer in from KCTCS to four-year institutions. At four-year institutions, they include all students who started at the institution and remained enrolled in or graduated from any Kentucky postsecondary institution. Thus, students who transfer between four-year institutions are not actually transferred in the model, but are included in estimates for their first institution. The model assumes that over time transfers out of any particular four-year institution will be balanced by transfers into that institution from other four-year institutions. The model also assumes that the number of out-of-state students coming to Kentucky will remain constant.

It is important to note that these statewide and institution bachelor's degree targets, as well as the undergraduate enrollment targets discussed on the following page, are preliminary planning estimates. The model that generated these estimates was primarily designed to be used at the system level. Thus, institution level bachelor's degrees and enrollment targets are based primarily upon historical ratios with minor adjustments for projected changes in regional population by 2020. Moving forward, it is anticipated that additional models will be created to look more closely at the institution level projections. Regional targets also will be created to better inform planning efforts aligned with institutional areas of geographic responsibility. Modifications and adjustments to the model are ongoing, and the targets are currently scheduled to be recalculated in 2008.

Long-Term Cost Estimates

The cost of achieving Kentucky's 2020 bachelor's degree targets is significant. It will require more faculty and staff, more facilities, more technology, and more support services. Thus, it is important for the system to continue to secure new revenue while at the same time making the most of current resources. Over the next year, the Council will develop initial cost estimates to better understand the long-term investment needed to double degree production over the next 14 years. This process also will involve a reassessment of the state's postsecondary education funding policy; refocused efforts on

productivity, efficiency, and resource reallocation; the continuation of efforts to better align state appropriations, tuition policy, and financial aid; and an analysis of statewide campus facility needs.

Although bachelor's degree production is a primary responsibility of the postsecondary institutions, it is important to remember that those institutions also are local and statewide catalysts for research, economic development, and community engagement, which also require significant resources. All of these roles and responsibilities need to be accounted for when looking at a long-term approach to funding postsecondary education.

Statewide Facilities Condition Study

As previously discussed with the Council, a contract with VFA, Inc., of Boston, Massachusetts, was approved in the spring of 2006 to implement a statewide facilities condition study. This study will assist the state and postsecondary institutions to better communicate the need for the investment in infrastructure needed to reach the goals of HB 1 and the Public Agenda. Final project reports are expected in December 2006.

As part of this process, undergraduate enrollment targets generated by the 2020 projections model will be incorporated into the facilities study. Table 2 below highlights these preliminary 2020 undergraduate enrollment targets.

Table 2. Preliminary 2020 Undergraduate Enrollment Targets By Institution

Institution	2005 Fall Undergraduate Enrollment	Preliminary 2020 Undergraduate Enrollment Target	% Change from 2005
Eastern Kentucky University	13,942	23,786	71%
Kentucky State University	2,228	4,463	100%
Morehead State University	7,549	11,994	59%
Murray State University	8,585	13,819	61%
Northern Kentucky University	12,107	22,520	86%
Western Kentucky University	15,978	27,481	72%
University of Kentucky	18,732	31,873	70%
University of Louisville	15,057	21,221	41%
KCTCS	84,931	115,841	36%
Independent Colleges and Universities	23,088	50,467	119%
State Total	202,197	323,465	60%

Note: Enrollment targets will be lower if various quality indicators, such as persistence and graduation rates, are met or exceeded. In addition, these system-level enrollments include students who begin and remain at the institution and who transfer in from KCTCS to four-year institutions. At four-year institutions, they include all students who started at the institution and remained enrolled in or graduated from any Kentucky postsecondary institution. Thus, students who transfer between four-year institutions are not actually transferred in the model, but are included in estimates for their first institution. The model assumes that over time transfers out of any particular four-year institution will be balanced by transfers into that institution from other four-year institutions. The model also assumes that the number of out-of-state students coming to Kentucky will remain constant.

Graduate, Doctoral, and Associate Degrees and Other Credentials

The production of graduate, doctoral, and associate degrees and other credentials are also core functions of Kentucky's postsecondary education institutions. No preliminary 2020 estimates for graduate and doctoral degrees have been calculated at this time. However, in 2004, Kentucky was ranked 34th out of 50 states plus Washington, D.C., in the percentage of adults with an advanced degree (7.9 percent). Nationally, 9.9 percent had advanced degrees.

CPE staff did analyze the number of associate degree holders needed to be at the national average in 2020. CPE staff estimates that there will be 260,303 Kentuckians aged 25 and older with just an associate degree in 2020. This number represents 8.5 percent of the projected population aged 25 and older, a proportion that is well above the predicted national level of 6.7 percent. Kentucky is well on its way to matching the projected national attainment level of associate degree holders in 2020. These programs need to continue to ensure that Kentucky meets this goal. The possibility that Kentucky will produce more associate degree holders than will be needed to match national proportions suggests that further efforts must be made to convert some of these associate degree holders to baccalaureate students to help meet the ambitious 2020 attainment goal for baccalaureate degree holders.